

EX PARTE OR LATE FILED

ORIGINAL



Western Communications, Inc.

3106 S. HIGHWAY 79 • RAPID CITY, SD 57701 • PHONE 605-342-7885



September 29, 1999

Ms. Magalie Roman Salas
Office of the Secretary,
Federal Communications Commission
The Portals
445 Twelfth Street, S.W. Room TW-A 325
Washington, DC 20554

RE: Ex Parte Filing - WT Docket No. 99-168.

Dear Ms. Salas,

Attached is a September 29, 1999 letter to Mr. Thomas Sugrue regarding the Ex Parte Filing of WT Docket No. 99-168. I would appreciate it if you would include this letter in the official record of that Docket.

Thank you for your attention in this matter.

Respectfully,

A handwritten signature in cursive script, appearing to read 'Michael A. Lees'.

Michael A. Lees
President
Western Communications, Inc.

RECEIVED
OCT 4 - 1999
FCC MAIL ROOM

No. of Copies rec'd
List ABCDE

041



Western Communications, Inc.

3106 S. HIGHWAY 79 • RAPID CITY, SD 57701 • PHONE 605-342-7885



September 29, 1999

Mr. Thomas J. Sugrue
Chief, Wireless Telecommunications Bureau
Federal Communications Commission
445 Twelfth Street, S.W. Suite 3-C252
Washington, DC 20554

RE: Ex Parte Filing -WT Docket No. 99-168.

Dear Mr. Sugrue,

In this letter I would like to make several comments to the Federal Communications Commission (FCC) in reference to the Ex Parte Filing of WT Docket No. 99-168.

I am the President of Western Communications, Inc. a two-way radio sales and service company that has provided wireless communications services in Western South Dakota for nearly forty years. We service 2,245 companies who currently use two-way radios or other wireless products. We take care of 1,155 farm and ranch customers, 60 customers in the construction businesses, 75 customers in cable TV, broadcast TV and other communications businesses, 40 customers in automotive related business such as dealers, repair shops, and towing companies, 40 customers in the transportation field such as railroads, taxis, and trucking companies, and 875 customers in other types of businesses such as contractors, doctors, attorneys, engineers, architects, surveying crews, food service companies, hotels, motels and gas companies. In each of these companies, we estimate about ten people will use two-way radio for communications. I think that you can see that about 22,000 people in our service area alone rely on two-way radio communications to increase their business efficiency and to provide for the safety and welfare of their family and employees. We are only one of 12 two-way radio companies in South Dakota, so it would be safe to say that about 1/3 of all South Dakotans rely on two-way radios.

Western Communications, Inc., as a company, has many active FCC licenses. We have several VHF and UHF licenses that we use for our business communications, as well as having SMR and Private Carrier Paging licenses in South Dakota. In addition during our entire company history, we have provided

OCT 4 - 1999

FCC MAIL ROOM



Western Communications, Inc.

3106 S. HIGHWAY 79 • RAPID CITY, SD 57701 • PHONE 605-342-7885



guidance, assistance and advice to all of our two-way radio customers regarding FCC license issues.

From our years of dealing with our customers we are well aware of the spectrum needs for wireless rural communications. There is currently a great need for Private Wireless Spectrum in rural America. The current spectrum allocated to private land mobile radio users is very congested, particularly in the urban areas. Congress has directed the FCC to provide 10 Mhz. more spectrum for Private use and the Land Mobile Communications Council has petitioned for 15 Mhz. of additional spectrum to be used for Private Land Mobile Radio systems. Many of our customers have a business territory that covers over 10,000 square miles. These Private Radio users need the additional spectrum to construct multi-channel and multi-site private land mobile radio systems to enhance business productivity and to provide for employee safety.

I would suggest that additional spectrum be allocated in the 746 – 806 Mhz. area for several reasons. First of all, this spectrum is near the new 24 Mhz. allocation for public safety. Many of our private radio users are also associated with their local volunteer fire department or the local volunteer ambulance service. If a new Private spectrum allocation was assigned near the Public Safety spectrum, it would enable these individuals to have both Private and Public Safety channels in the same radio.

Allocating Private Spectrum in the 746-806 area would also provide lower cost equipment to the millions of Private Land Mobile Radio users. Several major radio manufacturers already produce Private radio equipment near the 746-806 Mhz. range so it would only require a simple retooling to produce Private Land Mobile Radios in this range.

Finally, I would strongly suggest that the FCC adopt a licensing method that will put any new spectrum into the hands of the private wireless users who need spectrum. The FCC needs to maintain a licensing system that is flexible enough to accommodate the difference between rural and urban two-way radio users. In the past the FCC has embraced the incorrect assumption that if the FCC auctions spectrum to the highest bidder, market forces will force the high bidder to offer a wide variety of competitive communication services to the license area to provide an appropriate return-on-investment. The practical economic reality is vastly different than the FCC's glorious competitive vision. When the population density is too low to justify installing expensive wireless infrastructure, the commercial wireless providers simply abandon the area and concentrate on population centers

OCT 4 - 1992

FCC FILE 0000



Western Communications, Inc.

3106 S. HIGHWAY 79 • RAPID CITY, SD 57701 • PHONE 605-342-7885



where they can make a profit. The impact on the lightly populated rural areas is that not only do they not get competitive services, they don't get access to any services at all. A recent example of this phenomena was reported in the May 24, 1999 Wireless Week which reports that NEXTEL is shutting down systems in lightly populated South Dakota communities and abandoning the existing customers to a shrinking number of two-way radio options.

When the FCC examines different methods of Private Spectrum licensing, they need to strongly examine which licensing method is in the Public Interest of the private wireless operator. All FCC licenses, who have communicated with me about these issues, eventually ask the question; "Why is the FCC even thinking of a plan that will force me to deal with a middleman or commercial provider to get access to spectrum that is directly under FCC control? How can any plan which adds cost and complexity to my business life, be in my public interest?"

Respectfully,

Michael A. Lees
President
Western Communications, Inc.

cc: Senator Tom Daschle
Senator Tim Johnson
Congressman John Thune
Ms. Magalie Roman Salas, Secretary, FCC

RECEIVED

OCT 4 - 1999

FCC MAIL ROOM